



Aalto University
School of Business

Mikkeli Campus

EFFECTS OF RELATIONSHIP QUALITY BETWEEN ESTATE AGENTS AND SELLERS IN THE REAL ESTATE MARKET

Vivika Viikari

International Business

Bachelor's Thesis

Supervisor: Paurav Shukla

Date of approval: 13 April 2017

Aalto University

School of Business

Bachelor's Program in International Business

Mikkeli Campus

EFFECTS OF RELATIONSHIP QUALITY BETWEEN ESTATE AGENTS AND SELLERS IN THE REAL ESTATE MARKET

Vivika Viikari

International Business

Bachelor's Thesis

Supervisor: Paurav Shukla

Date of approval: 13 April 2017

Aalto University

School of Business

Bachelor's Program in International Business

Mikkeli Campus

Author: Vivika Viikari

Title of thesis: Effects of Relationship Quality Between Estate Agents and Sellers in the Real Estate Market

Date: 13 April 2017

Degree: Bachelor of Science in Economics and Business Administration

Supervisor: Paurav Shukla

Objectives

The main objectives of this study were to study the construct of relationship quality in the field of real estate, and to provide information on what factors influence relationship quality between real estate agents and property sellers. The study was done in collaboration with a Finnish real estate agency Kiinteistömaailma Mikkeli and aimed to provide them with ways on how to manage their agent-client relationships and create customer loyalty.

Summary

This study researches the relationship quality construct between real estate agents and property sellers. A survey is conducted to study the proposed antecedents of relationship quality, trust and satisfaction, as well as the proposed antecedents of trust and commitment. The effect of relationship quality to customer loyalty is also studied.

Conclusions

The results indicate that the outcome of relationship quality is customer loyalty, while trust and satisfaction are dimensions of relationship quality. Salesperson expertise and service quality had a positive influence on trust. Service quality had a positive influence on also satisfaction, along with relational selling behavior. Therefore, to manage relationship quality and create customer loyalty, real estate agencies should seek to increase customer trust and satisfaction through especially service quality in addition to salesperson expertise and relational selling behavior.

Key words: Relationship Quality; Buyer-Seller Relationships; Real Estate Agencies; Property Market; Customer Loyalty

Language: English

Grade:

COVER PAGE

TITLE PAGE

ABSTRACT

TABLE OF CONTENTS

1. INTRODUCTION	7
1.1. Background	7
1.2. Research Problem, Question and Objective.....	7
2. LITERATURE REVIEW.....	9
2.1. Overview of The Real Estate Market	9
2.1.1. Role of a Real Estate Agent.....	10
2.2. History of Buyer-Seller Relationship Research.....	10
2.3. Defining Relationship Quality	12
2.4. Major Factors Influencing Buyer-Seller Relationships	13
2.5. How Relationship Quality Dimensions Influence the Real Estate Market	15
2.5.1. Relational Selling Behavior	16
2.5.2. Service Quality.....	17
2.5.3. Salesperson Expertise	18
2.5.4. Trust.....	19
2.5.5. Satisfaction	19
2.5.6. Loyalty	20
2.6. Conclusion.....	21
2.7. Conceptual Framework	21
3. METHODOLOGY.....	23

3.1. Sampling	24
3.2. Questionnaire Design	24
3.3. Ethics.....	25
3.4. Limitations	26
4. FINDINGS.....	28
4.1. Respondent Profile	28
4.2. Reliability Analysis.....	30
4.3. Hypothesis Testing.....	31
5. DISCUSSION AND ANALYSIS.....	36
5.1. Relationship Quality in Real Estate	36
5.1.1. The Antecedents of Trust.....	36
5.1.2. The Antecedents of Satisfaction	37
5.1.3. The Dimensions of Relationship Quality	38
5.1.4. Loyalty as the Outcome of Relationship Quality.....	38
5.2. Managerial Implications.....	39
6. CONCLUSIONS.....	41
6.1. Main Findings	41
6.2. Implications for International Business	42
6.3. Suggestions for Further Research.....	43

APPENDICES

REFERENCES

1. INTRODUCTION

1.1. Background

Building lasting buyer-seller relationships has been said to be one of the key assets for a business to succeed in a competitive environment (Bejou et al., 1996; Roberts et al., 2003; Wong et al., 2007; Segoro, 2013), as strong customer relationships are an asset that cannot be easily duplicated by a competitor. One of the most important concepts in the study of long-term relationships is relationship quality (Crosby et al., 1990; Wong et al., 2007). In order to effectively manage customer relations through relationship quality, the company first needs to understand the factors influencing it.

Relationship quality research is lacking in the field of real estate, even though it has been mentioned in it multiple times (Crosby et al., 1990; Tuzovic, 2008; Luca & Ciobanu, 2016). Since strong customer relations are one of the main competitive advantages real estate agencies can obtain, this paper will research the relationship quality construct in the field of real estate in collaboration with a Finnish real estate agency chain Kiinteistömaailma and its Mikkeli office. A survey to research the opinions of Kiinteistömaailma Mikkeli's clients about their relationships with their agents will be conducted to develop a relationship quality model applicable in the context of real estate, which will then serve as a guideline on how the company can effectively manage its agent-seller relationships and create repeat patronage.

1.2. Research Problem, Question and Objective

This Bachelor's thesis will investigate the relationship quality construct and its antecedents in the context of real estate, researching the relationship between real estate agents and property sellers from the property seller's perspective. It will provide information on how to manage customer relationships.

Research question: What factors influence relationship quality between agents and property sellers in the field of real estate?

Research objective: To develop a relationship quality model applicable for real estate.

2. LITERATURE REVIEW

This literature review first overviews the real estate market, and the role of a real estate agent. Then it looks at the history of buyer-seller relationship research, how relationship quality has been defined in past literature, and what have been suggested as the dimensions of it. Then it will further examine these dimensions in the context of real estate. Finally, after concluding the findings, a conceptual framework considering relationship quality in the field of real estate will be suggested.

2.1. Overview of The Real Estate Market

This study will look at relationship quality in the context of real estate, examining the relationship between real estate agents and property sellers. The real estate market fills the requirements of a good field for relationship quality research due to its complex and customized nature, relatively unsophisticated customers, and the uncertainty and dynamic nature of the market (Luca & Ciobanu, 2016; Crosby et al., 1990).

The real estate market is about transactions involving the right to own or use a building or land (Luca and Ciobanu, 2016). Luca and Ciobanu (2016) defined real estate marketing as “the organizational process that deals with identifying, anticipating, and profitably satisfying customer requirements which trade real estate properties”. Almost all the customers with whom Kiinteistömaailma has a contractual relationship with are property sellers, which is why this study focuses only on the seller-agent relationship. Purchase orders are a rarity, at least in the Finnish real estate market.

Purchases related to property are one of the biggest financial decisions for most people in their lives, since they require a substantial financial and emotional investment. Especially in a business such as real estate, which involves complex decision making from the part of the consumer, the relationship between the agent and the client is

assumed to be very important. Research has shown that recently the real estate market has been developing to a more service and customer-oriented direction (Phillips & Roper, 2009, cited in Palm, 2016). Due to the importance of good customer relations to Kiinteistömaailma, conducting research on their buyer-seller relationships can provide them with valuable insight on how to manage and further strengthen them.

2.1.1. Role of a Real Estate Agent

Due to the complex nature of the real estate industry, the role of a real estate agent involves much more than simple selling of products and services; it involves developing diverse selling relationships with both property sellers, as well as property buyers (Palm, 2016). Real estate agents need to sell their expertise and reputation to customers dealing with one of the most important financial decisions in their lives: selling and buying property.

As the real estate agent is usually the only contact the customer has with the company, he or she is responsible for the service quality delivered as well as building a strong relationship with the customer. The agent is responsible for customer satisfaction and thus customer retention through both his or her expertise and interpersonal skills (Sharma & Patterson, 1999). As every item of sale in the real estate market is different, the communication skills of the agent in this complex market are very important. As Crosby et al. (1990) suggest, real estate agents should recognize their role as relationship managers.

2.2. History of Buyer-Seller Relationship Research

Relationship quality arose as a topic of interest in the 90's after the increased interest in relationship marketing. Relationship marketing is defined as marketing that is

focused on keeping customers instead of acquiring new ones, and developing long-term relationships with them (Storbacka et al., 1994; Bejou et al., 1996; Wong & Sohal, 2002). Focusing on keeping customers has been said to be one of the most important factors for a company to succeed in competition and gain a sustainable competitive advantage, especially in mature markets (Bejou et al., 1996; Roberts et al., 2003; Segoro, 2013). This is because quality relationships are an asset that cannot be copied by a competitor. In fact, Athanasopoulou (2009) and Godes & Mayzlin (2004, cited in Segoro, 2013) argued that acquiring a new customer can be as much as five times more expensive than keeping a customer. Although the exact amount of economic benefit received from concentrating on building lasting, long-term relationships with existing customers is not known, scholars do widely agree that it is less expensive and provides more returns than focusing on acquiring new customers. However, to effectively capitalize on relationships, the company must first seek to understand its buyer-seller relationships (Storbacka et al., 1994).

The notion of relationship quality in the marketing literature, that arose from the discussion around relationship marketing, is somewhat new. Relationship quality research was established in 1990 by Crosby, Evans and Cowles. Crosby et al. (1990) tested a relationship quality model in the context of whole life insurance sales. Boles et al. (2000) replicated the relationship quality model in a B2B setting, and concluded that it is relatively generalizable in different environments. Still the field is very broad, and the construct of relationship quality remains without a universally accepted definition or framework. However, it is generally accepted that the most important goal of relationship quality is customer loyalty and retention (for example Hennig-Thurau & Klee, 1997; Shamdasani & Balakrishnan, 2000; Roberts et al., 2003; Liu et al., 2011). The increased loyalty through relationship quality makes customers willing to purchase more, and to recommend the seller to others (Huntley, 2005). Loyalty also makes the buyer-seller relationship more stable by reducing the likelihood of the customer leaving, and makes the customer more price-tolerant (Huntley et al., 2005). Bejou et al. (1996) argue, that relationship quality is a prerequisite to a successful, long-term buyer-seller relationship.

The interest in relationship marketing and relationship quality keeps increasing with the ever-increasing competition of today's business world (Ndubisi, 2007). In more recent literature, such as Wang & Davis (2008), Liu et al. (2011), Segaro (2013) and Su et al. (2016), it seems that at least trust has been generally accepted as a dimension of relationship quality. Satisfaction has also stood the test of time, even though it is not mentioned quite as often as trust. Also, loyalty has been further proven to be the outcome of relationship quality. Some studies, such as Macintosh (2007), Wong et al. (2007) and Liu et al. (2011), consider relationship quality as a construct composed of trust and satisfaction, and research factors affecting trust and satisfaction instead of relationship quality directly. This seems to be an increasingly popular way of looking at relationship quality research.

2.3. Defining Relationship Quality

Most recent literature use the original definition of relationship quality as “a higher-order construct composed of at least two dimensions, (1) trust in the salesperson and (2) satisfaction with the salesperson” (Crosby et al., 1990) and add their own proposed dimensions to it. For example, Leonidou et al. (2013) defined relationship quality as “a higher-order construct, comprising cooperation, trust, commitment, and communication”.

However, as stated in the previous section, there is not a universally accepted definition for relationship quality, and definitions vary depending on the field of research. Crosby et al. (1990) also defined relationship quality as looked from customer's point of view as “the salesperson's ability to reduce perceived uncertainty”, and high levels of relationship quality meaning the customer is confident about the salesperson's future performance and integrity. Relationship quality has also been defined as how the customer perceives the relationship with the seller to be able to fulfill the customer's needs considering the relationship (Hennig-Thurau & Klee, 1997), and as a measure of how likely it is for the customer to maintain their relationship with

the seller (Roberts et al., 2003). Johnson (1999, cited in Wong & Sohal, 2002) defined relationship quality as a description of “the overall depth and climate of a relationship”.

This study will use Smith’s (1998) definition of relationship quality as a “higher-order construct, consisting of a variety of positive relationship outcomes that mirror the overall strength of a relationship, and the degree to which it meets the parties’ needs and expectations” as the definition of relationship quality, since it is comprehensive and considers and combines most of the other suggested definitions.

2.4. Major Factors Influencing Buyer-Seller Relationships

Two factors that have been mentioned in nearly all relationship quality research are trust and satisfaction. Trust and satisfaction have been seen as the two dimensions comprising the relationship quality construct (Crosby et al., 1990; Parsons, 2002). In more recent literature, trust and satisfaction have been viewed both as dimensions of relationship quality, and as the definition of it.

Commitment, defined by Hennig-Thurau et al. (1997) as the “customer’s ongoing orientation towards a relationship, grounded on both an emotional bond and on the conviction, that remaining in the relationship will yield higher net benefits than terminating it”, has been seen both as a dimension of relationship quality, as well as the outcome of it (Shamdasani & Balakrishnan, 2000). In Athanasapoulous’ (2009) review of relationship quality literature, the conclusion was that commitment is the main consequence of relationship quality instead of a dimension of it. Liu et al. (2011) and Segoro (2013) tested the positive correlation between trust and satisfaction with customer loyalty as significant. This study looks at customer commitment as an outcome of relationship quality, as it is also widely accepted to be the main goal of relationship marketing. Some literature discusses loyalty instead of commitment, but in this context, they can be seen as synonyms (Hennig-Thurau et al., 2002; Davis-Sramek et al., 2009; Liu et al., 2011).

In the original relationship quality model by Crosby et al., similarity and expertise were hypothesized to influence relationship quality. Similarity has not been shown to have a significant effect on it (Crosby et al., 1990; Smith, 1998; Boles et al., 2000), but Smith (1998) argues that the amount of trust and satisfaction is higher in same-sex buyer-seller relationships. This study will not include similarity as a dimension of relationship quality, but see if the sex of the buyer and seller influence trust and/or satisfaction.

Salesperson expertise on the other hand might influence relationship quality (Crosby et al., 1990; Lagace et al., 1991; Macintosh, 2007). Bejou et al. (1996), as well as Shamdasani & Balakrishnan (2000), argued that expertise does not have an effect in relationship quality directly, but in satisfaction which then in turn affects relationship quality. Since it seems appropriate that salesperson expertise would also influence trust in addition to satisfaction, this study will include expertise in the framework as a factor of both satisfaction and trust, which then in turn affect relationship quality.

Relational selling behavior (RSB) of the salesperson has also been proposed as a dimension of relationship quality by multiple authors (for example Crosby et al., 1990; Lagace et al., 1991; Parsons, 2002). Relational selling behavior is the salesperson's behavior during customer interaction (Parsons, 2002). It is composed of for example cooperative intentions, mutual disclosure and contact intensity. Some authors, like Shamdasani & Balakrishnan (2000) and Macintosh (2007), discuss contact personnel's personal attributes or communication in general instead of relational selling behavior. Huntley et al. (2003) argued that cooperation, collaboration and common goals are important for the customer and the buyer/seller relationship. This study sees relational selling behavior due to its comprehensive nature as the best construct for measuring salesperson behavior and attributes, and thus will include it in the relationship quality framework.

Other proposed relationship quality dimensions as listed in the literature review by Luca and Ciobanu (2016) include opportunism, customer orientation, and service quality, of which service quality has received the most attention (for example Hennig-

Thurau et al., 1997). Even though Luca & Ciobanu (2016) tested service quality as insignificant to relationship quality in the field of real estate, their research was based only on interviews with real estate managers instead of customers, which is why this study will include service quality as a dimension of relationship quality in the proposed framework.

Based on previous relationship quality literature, this study will research the following dimensions of relationship quality: trust, satisfaction, relational selling behavior, salesperson expertise and service quality.

2.5. How Relationship Quality Dimensions Influence the Real Estate Market

Hsieh et al. (2014) argued that in the real estate market, attribute-based trust management is a priority for enhancing real estate companies' competitive advantage. In literature considering real estate services, especially trust has received a lot of attention. This seems appropriate, considering the amount of financial and emotional investment involved. Tuzovic (2008) found out in his interviews with customers who had recently used real estate services, that most of them first evaluated the trustworthiness of the real estate agent.

Real estate services are considered as high-contact, intangible professional services (Tuzovic, 2008). The communication skills of the real estate agent are very important, which is why relational selling behavior is included in the framework. In the interviews Tuzovic conducted with real estate clients, especially high contact intensity was perceived as an important factor in creating trust and satisfaction. Real estate agents often try to develop a personal relationship with a client through mutual disclosure.

Due to generally unsophisticated customers and the complex, dynamic market environment, salesperson expertise is assumed as very important in real estate agent

services. An adequate level of salesperson expertise is an important prerequisite for creating customer trust and satisfaction (Luca & Ciobanu, 2016).

As the real estate market fills the criteria of a good market for relationship quality research, this study will continue to examine the proposed dimensions of relationship quality individually and set hypotheses in the context of real estate.

2.5.1. Relational Selling Behavior

Crosby et al. (1990) defined relational selling behavior as constructing of cooperative intentions, mutual disclosure, and contact intensity. This study will also measure relational selling behavior through these three factors. Cooperative instead of competitive intentions in a buyer-seller relationship means the partners are working towards mutual benefit (Wilson, 1995), which means the client feels that the agent is not only after his/her own good but seeks to fulfill the needs of both parties. Mutual disclosure is the willingness of both partners to share critical business-related and/or personal information with each other (Crosby et al., 1990). If the customer feels the amount of disclosure is not mutual, it will most likely have a negative effect on the relationship. Contact intensity measures how much the seller communicates with the customer and keeps communication channels open, or “stays in touch” with the customer. Communication about the agent’s performance in a timely manner and in a language the client can easily understand is an important factor of customer satisfaction (Sharma & Patterson, 1999).

This type of behavior from the part of the seller is also discussed as customer orientation by some authors (Bejou et al., 1996; Parsons, 2002). Bejou et al. (1996) argued that the salesperson’s customer orientation influences satisfaction instead of relationship quality directly, while Sharma & Patterson (1999) argued it will positively influence trust. Relational selling behavior is important for developing a more personal relationship with the customer, which will then result in a social bond through a sense

of closeness (Sharma & Patterson, 1999). This study will assume relational selling behavior will have a positive effect on both trust and satisfaction.

H1. Relational selling behavior has a positive effect on trust.

H2. Relational selling behavior has a positive effect on satisfaction.

2.5.2. Service Quality

The more researched and better established construct of service quality, differs from relationship quality by focusing on only the evaluation of the quality of the service provided instead of the relationship between the buyer and the seller (Su et al., 2016). Roberts et al. (2003) argued, that service quality influences relationship quality, which in turn is a better measure for evaluating the company's long-term health, since service quality on its own is not enough to explain future customer behavior or commitment.

A problem with service quality is that it is strongly influenced by prior customer expectations (Luca & Ciobanu, 2016), which makes measuring it objectively difficult. The level of perceived service quality stems from the difference between customer expectations and experiences (Johnson et al., 1988; Hu et al., 2009). A framework for measuring service quality, SERVQUAL, was developed by Parasuraman et al. in 1988 (Roberts et al., 2003) to measure service quality. They defined service quality as being composed of five dimensions: reliability, responsiveness, empathy, assurance and tangibility. However, this scale has been widely disputed (for example Hu et al., 2009; Luca & Ciobanu, 2016), mainly for its poor generalizability. Service quality factors remain disputed (Liu et al., 2011), but are generally agreed to depend upon the industry in question.

Hu et al. (2009) tested service quality to have a significant positive correlation with satisfaction. Liu et al. (2011) argued that service quality affects both trust and satisfaction. This study will also assume that service quality has a positive correlation with both trust and satisfaction.

H3. Service quality has a positive effect on trust.

H4. Service quality has a positive effect on satisfaction.

2.5.3. Salesperson Expertise

If a customer perceives the salesperson's level of expertise as high, the customer has a positive assumption about the amount of market and product knowledge the salesperson has, and about a successful outcome considering the given target (Crosby et al., 1990).

Crosby et al. (1990) tested salesperson expertise as having a moderate, yet significant effect on relationship quality, which they defined as comprising of trust and satisfaction. Also Macintosh (2007) tested a significant positive correlation between salesperson expertise and relationship quality. However, the relationship between salesperson expertise and relationship quality has also been disputed. Per Bejou et al. (1996), seller expertise is an important quality in creating customer trust. This study will assume salesperson expertise has a positive impact on both trust and satisfaction.

H5. Salesperson expertise has a positive effect on trust.

H6. Salesperson expertise has a positive effect on satisfaction.

2.5.4. Trust

Hennig-Thurau et al. (1997), citing Moorman et al. (1992), define trust as “willingness to rely on an exchange partner in whom one has confidence”. This is a widely agreed upon definition of trust, and also other proposed definitions mostly overlap: for example Crosby et al. (1990) defined trust as “a confident belief that the salesperson can be relied upon to behave in such a manner that the long-term interest of the customer will be served”. Mohr and Spekman (1994, as cited in Osarenkhoe & Bennani, 2007) argued, that “the higher the level of trust, the higher the degree of relationship success”.

Trust is an important dimension, since it also influences sales effectiveness: it reduces the number of contracts needed which speeds up the selling process, as well as creates confidence for the buyer that possible short-term inequities will eventually create long-term benefit (Anderson & Narus, 1990, cited in Roberts et al., 2003; Dwyer et al., 1987). This increase in effectiveness in turn increases the customer's net benefits, which then increases commitment to the relationship (Hennig-Thurau et al., 1997). Trust also increases the customer's confidence towards the seller's pricing and offers in general (Huntley, 2005), which also increases effectiveness and thus improves commitment. Trust is crucial also in the context of real estate in building quality buyer-seller relationships (Tuzovic, 2008).

H7. Trust has a positive effect on relationship quality.

2.5.5. Satisfaction

Murstein (1977), as cited in Crosby et al. (1990), described satisfaction in a relationship as “centered around the roles assumed and performed by the individual parties”. The definition of satisfaction is generally undisputed, as most define it as the comparison

between the customer's prior expectations and the actual performance (for example Wirtz and Bateson, 1999, cited in Shamsadani & Balakrishnan, 2000; Wilson, 1995). Liu et al. (2011), citing Fornell (1992), defined customer satisfaction as "an overall attitude formed based on the experience after customers purchase a product or use a service". Satisfaction differs from the service quality construct by being the emotional response to a transaction, compared to service quality which is the customer's judgement on the performance of the service (Hu et al., 2009).

Satisfaction has generally been argued to be an antecedent for loyalty and positive word-of-mouth (Bitner, 1990, cited in Shamsadani & Balakrishnan, 2000; Hennig-Thurau et al., 2002; Retap et al., 2016), even though the relationship between satisfaction and loyalty has also been questioned (Oliva et al., 1992, cited in Shamsadani & Balakrishnan, 2000). Segoro (2013) argued, that loyalty cannot be directly explained through satisfaction, even though satisfaction is a very important factor of it. According to Hennig-Thurau (2000), satisfaction is the most important antecedent of relationship quality. As satisfaction is, alongside trust, one of the most commonly discussed dimensions of relationship quality, this study will test whether satisfaction influences loyalty through relationship quality.

H8. Satisfaction has a positive effect on relationship quality.

2.5.6. Loyalty

Finally, the proposed outcome of relationship quality is customer loyalty, as has been widely agreed upon in previous literature. Loyalty means the customer's desire to continue the relationship. This means the customer assumes the continuation of the relationship will bring them value and/or benefits in the future (Wilson, 1995). Loyalty is argued to consist of repeat purchase, a positive attitude towards the company, and positive word-of-mouth (Segoro, 2013). Loyalty increases the customer's motivation to stay with the seller, as well as future purchase intentions (Retap et al., 2016).

H9. Relationship quality has a positive effect on customer loyalty.

2.6. Conclusion

Even though a long relationship is not automatically a profitable one, it creates more sales opportunities which in turn usually means more sales (Storbacka et al., 1994). The proposed outcome of relationship quality, loyalty, will hopefully generate repeat patronage and positive word-of-mouth. Customer loyalty has widely been regarded as the most important competitive advantage especially mature markets, which makes it an important area to research.

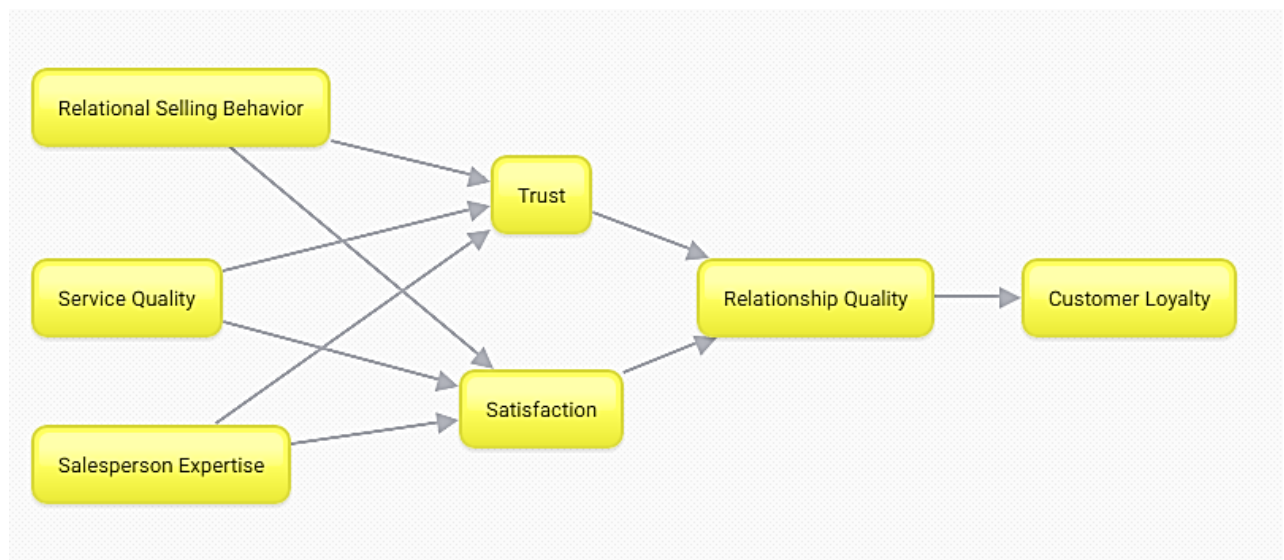
This study will test the conceptual framework introduced in the next chapter in the context of real estate in collaboration with the Mikkeli office of a Finnish real estate agency chain Kiinteistömaailma. The results will provide guidelines on how to effectively manage relationship quality and build, maintain and enhance customer relations, with special focus in the field of real estate. By promoting salesperson behavior that is proven to have a positive outcome, Kiinteistömaailma Mikkeli will be able to increase its efficiency through relationship quality.

2.7. Conceptual Framework

Figure 1 presents the relationship quality model this study will test in the context of real estate. This study will test the effect of the two most researched relationship quality dimensions, trust and satisfaction, to relationship quality. The proposed outcome of relationship quality is customer loyalty.

This study will look at other identified relevant factors (salesperson expertise, service quality, and relational selling behavior) as dimensions of trust and satisfaction instead of relationship quality directly. There have been different approaches to this in prior literature, but it seems more appropriate to consider them as affecting relationship quality through trust and satisfaction. Thus, the framework suggests that only trust and satisfaction comprise the construct of relationship quality. This goes along with the suggestions of Crosby et al. (1990), who originally defined relationship quality as consisting of trust and satisfaction.

Figure 1: Framework



3. METHODOLOGY

This research is based both on primary and secondary data. Secondary data is first used to provide an overview of both the relationship quality construct and the Finnish real estate market, after which primary data is gathered through a survey. This research is done in collaboration with a Finnish real estate agency chain Kiinteistömaailma's Mikkeli office.

First, secondary research was used to attain a broad understanding of the relationship quality construct, the history of relationship quality research and the previously suggested antecedents of relationship quality. Sources that were used consist entirely of a wide range of peer-reviewed articles. Secondary research, as well as an interview conducted with the CEO of Kiinteistömaailma Mikkeli, was used to provide an overview of also the real estate market, focusing on the role of the real estate agent and the agent-client relationship.

A literature review was composed on the basis of the secondary research done on relationship quality and the real estate market, after which a framework of the relationship quality construct in the field of real estate market was proposed as a guide for primary research. The proposed framework was then validated through a discussion with Kiinteistömaailma Mikkeli.

Quantitative primary research was used to test the hypotheses made based on secondary research. A survey instrument was designed to measure all the proposed dimensions of the relationship quality construct, similarly to the previous studies made in the field. A survey was chosen since it can provide a large number of responses, as well as allows the respondents the opportunity to anonymously discuss the somewhat personal topic of how the respondent perceives a relationship. The survey, after discussing it with Kiinteistömaailma Mikkeli, was then sent by them to all their clients who are selling or have sold property using their services.

3.1. Sampling

The sample for the survey was clients of Kiinteistömaailma Mikkeli who have used or are using their services to sell property. The survey was sent as a link via email to 220 customers on March 17th 2017, with the emphasis on customers currently selling property and other customers who have more recently used the company's services, as it was assumed that it is easier for customers who have recently used the services to accurately evaluate the experience. The customers were selected from the company's customer mailing list with the criteria of the customer having sold property, owning an email address, and having been registered as a seller during 1.1.-2016-17.2.2017. The sellers were mostly sellers of residential real estate, even though that was not measurable since the email database did not include this information. The goal was to receive at least 100 responses. Reminder emails were sent on March 22th and March 24th. To receive enough responses, on March 27th the survey was sent to 180 more customers, that had been registered as a customer during 1.7.2015-31.12.2015. The survey was closed on March 29th 2017. In total the survey was sent to 400 customers of which 95 answered, which translates to a response rate of 24%.

3.2. Questionnaire Design

To conduct primary research, a survey to test the research question and the hypotheses presented in the literature review was designed. The survey was developed based on previous research, using a single article as the basis for the questions considering a single dimension. The respondents were asked to answer how much they agree with the presented statement on a seven-point Likert scale ranging from "strongly disagree" to "strongly agree". Apart from the questions about salesperson expertise, the statements were retrieved directly from the sources, only adding the word "agent" to them.

Statements 1-3 (adapted from Liu et al., 2011) measure the level of service quality as perceived by the customer. Statements 4-16 all measure relational selling behavior, which is divided into three dimensions: statements 4-7 (adapted from Sharma & Patterson, 1999) measure contact intensity, statements 8-13 (adapted from Crosby et al., 1990) measure mutual disclosure, and statements 14-16 (adapted from Crosby et al., 1990) measure the seller's cooperative intentions. Statements 17-19, adapted from Crosby et al. (1990), measure salesperson expertise as perceived by the customer. For the items concerning salesperson expertise, Kiinteistömaailma Mikkeli provided what they consider as the most important areas of expertise for real estate agents: knowledge about pricing, the region, and the laws and regulations concerning the field. Statements 20-23 (adapted from Liu et al., 2011) measure customer trust, while statements 24-26 (adapted from Hennig-Thurau et al., 2002) measure customer satisfaction. The level of relationship quality as perceived by the customer is measured by statements 27-31 that are adapted from Ndubisi (2007). Finally, the last two questions (adapted from Liu et al., 2011) measure the customer's loyalty towards the agent.

In addition to measuring the dimensions introduced in the proposed framework, in the end of the survey the respondents were also asked about their gender, age, marital status, number of children, their house type and the length of the relationship they have had with the real estate agent in question. The survey was made in electronical form using Google Forms and translated to Finnish. The English version of the survey is presented in Appendix 1.

3.3. Ethics

Since the survey respondents were contractual clients of Kiinteistömaailma Mikkeli, they were contacted by Kiinteistömaailma Mikkeli and asked about their willingness to answer a survey for the purpose of a Bachelor's thesis research. It is not allowed by the Finnish law for a company to give out their clients' contact information without

asking them for a permission first, so the only way to contact potential respondents was indirectly through Kiinteistömaailma Mikkeli.

The survey contained sufficient information about the purpose of the survey as well as the author. The respondents were assured that they will remain anonymous, and the results will be kept confidential and used only for research purposes, so Kiinteistömaailma Mikkeli will not have direct access to them. Participation was voluntary and no incentives to participate were offered, so the respondents were not in any way pressured to answer the survey.

3.4. Limitations

Since all the respondents were Finnish and contacted through a Finnish company and thus would not necessarily be able to answer a survey in English, the survey was translated from English to Finnish. This might have some effects on the results, since it is not possible to achieve exactly the same message and tone in the translation.

Another limitation is related to sampling. The sample size ($n=95$) is relatively small, which lowers the reliability of the results. Furthermore, the research is limited to customers of one agency in Mikkeli, Finland, so possible differences across different agencies, cities and countries were not tested. Considering future research, the survey could be conducted in different environments to test for possible cultural differences. The respondents are also most likely all sellers of residential real estate, so the results are not necessarily applicable for commercial or industrial real estate.

Also, the chosen method for conducting primary research creates limitations. The survey was distributed as an online form via email, which removed the respondents the possibility of asking questions in case something in the survey was unclear to them. Furthermore, the survey did not include any open-ended questions, which would have

given the respondents the chance to write any additional comments or concerns that might have come to mind while answering questionnaire. Future research could include qualitative research in addition to quantitative research to provide the researcher with further insight on the opinions and views of the customers.

4. FINDINGS

This section will look at the results obtained from the survey. First respondent demographics will be discussed, then a reliability analysis will be conducted using Cronback's alpha, after which the proposed hypotheses are tested.

4.1. Respondent Profile

95 respondents answered the survey, of which 54 were women, 40 were men and one respondent did not want to indicate gender (Figure 2). All the respondents were at least 20 years old. 2 respondents were 20-29 years old, 11 were 30-39, 10 were 40-49, 29 were 50-59, 33 were 60-69 and 10 were 70 years old or older. 65% of the respondents were 50-69 years old, which might be explained by the fact that it is usually the age when many people sell their houses to move to a smaller apartment or house after their children have left home (Figure 3)

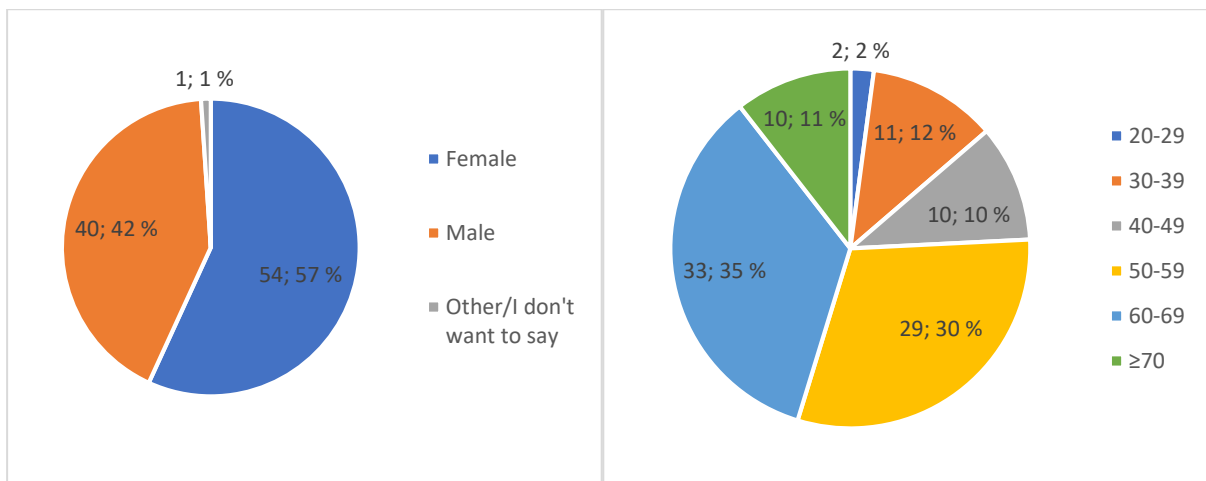


Figure 2: Gender of respondents

Figure 3: Age of respondents

Likely due to the age of the respondents, 57 so 60% were married. 13 were single, and 11 were living with a partner. 7 were divorced, 5 in a relationship and 2 widowed (Figure

4). The majority of the respondents (80/95) had children, most commonly 2 children (39/95 so 41%). 21 had one child, 16 three children and 5 had four or more. Only 15 of the respondents (16%) did not have any children (Figure 5).

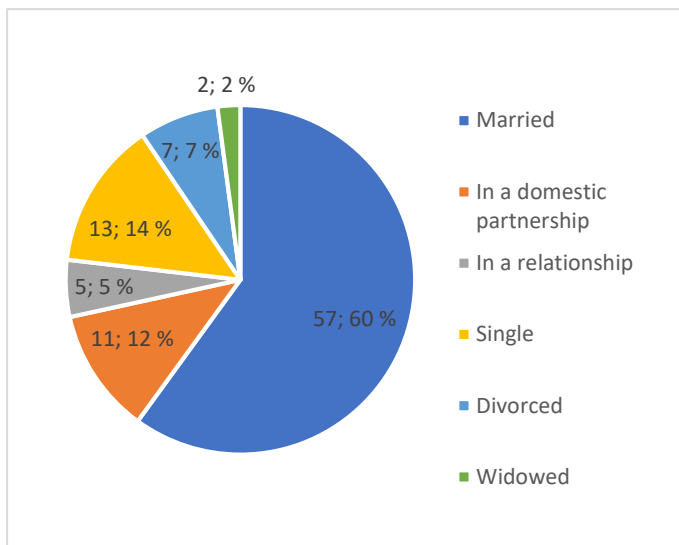


Figure 4: Marital status of respondents

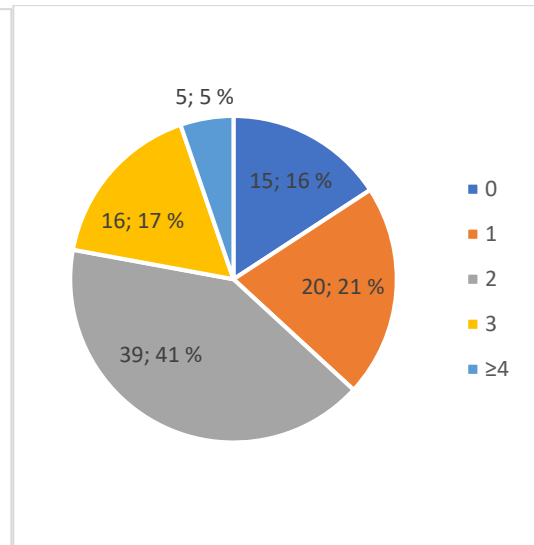


Figure 5: Number of children of respondents

The length of the relationship the customer has had with the agent was measured in four month intervals, since Kiinteistömaailma makes selling contracts with its clients for 4 months at a time. 38/95 of respondents so 40% has had a 0-4-month relationship with the agent, which is most likely due to prioritizing more recent customers in the sample. 28 respondents had a relationship with the duration of 4-8 months, 15 4-8 months and 14 over 12 months (Figure 6). The type of the house they had most recently sold using the agent's services was most commonly an apartment in a block of flats (29), a detached house (28) or a summer house (25). 12 respondents had sold a terraced house, and one respondent a semi-detached house (Figure 7).

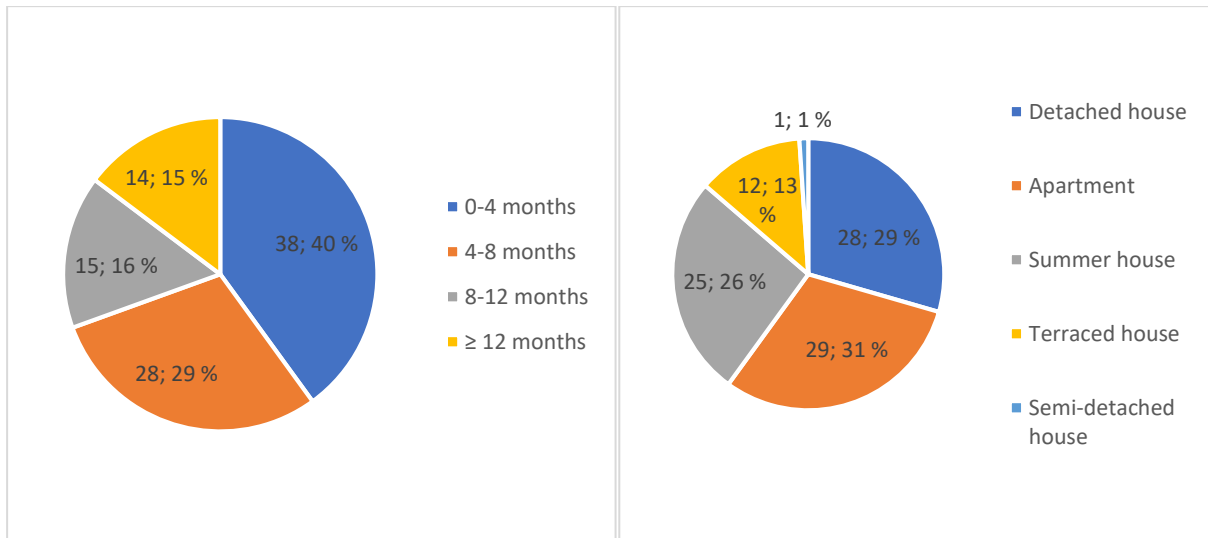


Figure 6: Length of respondents' relationship with the agent

Figure 7: Type of property the respondent has last sold

4.2. Reliability Analysis

To test the reliability of the scale, Cronbach's alpha test was done on each of the 7 constructs. The table below shows the individual score for each construct. Cronbach's alpha is $>0,8$ for each construct, which satisfies the reliability requirement (George & Mallery, 2003).

Construct	Cronback's Alpha
Service Quality	0,946
Salesperson Expertise	0,849
Relational Selling Behavior	0,909
Trust	0,961
Satisfaction	0,979
Relationship Quality	0,981
Loyalty	0,960

Table 1: Results of Cronback's alpha test

4.3. Hypothesis Testing

To test the proposed hypotheses, IBM SPSS Statistics was used to perform a regression analysis.

Starting with hypotheses H1, H3 and H5, multiple linear regression was run with relational selling behavior, service quality and salesperson expertise as the independent variables, and with trust as the dependent variable. This model explains 79% of the variance in trust. Service quality and salesperson expertise had a significant contribution (p-values 0,000 and 0,029), of which service quality makes the largest contribution (beta = 0,729). Relational selling behavior did not have a significant effect on trust (p-value = 0,144). Therefore, the results support hypotheses H3 and H5, but do not support hypothesis H1.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,891 ^a	,794	,787	,68940

a. Predictors: (Constant), RSBavg, SEavg, SQavg

b. Dependent Variable: TRavg

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	166,930	3	55,643	117,076	,000 ^b
	Residual	43,250	91	,475		
	Total	210,180	94			

a. Dependent Variable: TRavg

b. Predictors: (Constant), RSBavg, SEavg, SQavg

Coefficients ^a								
		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
Model		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	-,204	,375		-,543	,588		
	SQavg	,729	,102	,658	7,114	,000	,264	3,785
	SEavg	,251	,113	,183	2,217	,029	,332	3,008
	RSBavg	,134	,091	,102	1,473	,144	,470	2,129

a. Dependent Variable: TRavg

Table 2: Regression analysis to test H1, H3 and H5

To test hypotheses H2, H4 and H6, multiple linear regression was run with relational selling behavior, service quality and salesperson expertise as the independent variables, and with satisfaction as the dependent variable. This model explains 77% of the variance in satisfaction. Service quality and relational selling behavior had a significant contribution (p-values 0,000 and 0,006), of which service quality makes the largest contribution (beta = 0,958). Salesperson expertise did not have significant effect (p-value = 0,844). Therefore, the results support hypotheses H2 and H4, but do not support hypothesis H6.

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,879 ^a	,773	,765	,88947

a. Predictors: (Constant), RSBavg, SEavg, SQavg

b. Dependent Variable: SATavg

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	244,995	3	81,665	103,223	,000 ^b
	Residual	71,995	91	,791		
	Total	316,989	94			

a. Dependent Variable: SATavg

b. Predictors: (Constant), RSBavg, SEavg, SQavg

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-1,512	,483		-3,128	,002		
	SQavg	,958	,132	,705	7,251	,000	,264	3,785
	SEavg	,029	,146	,017	,197	,844	,332	3,008
	RSBavg	,330	,117	,205	2,816	,006	,470	2,129

a. Dependent Variable: SATavg

Table 3: Regression analysis to test H2, H4 and H6

To test hypotheses H7 and H8, multiple linear regression was run with trust and satisfaction as the independent variables, and with relationship quality as the dependent variable. This model explains 92% of the variance in relationship quality. Both trust and satisfaction had a significant contribution (both p-values = 0,000). Satisfaction (beta = 0,532) has a slightly larger contribution than trust (beta = 0,400). Therefore, the results support both hypotheses H7 and H8.

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,959 ^a	,920	,919	,45139

a. Predictors: (Constant), SATavg, TRavg

b. Dependent Variable: RQavg

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	216,827	2	108,414	532,086	,000 ^b
	Residual	18,745	92	,204		
	Total	235,572	94			

a. Dependent Variable: RQavg

b. Predictors: (Constant), SATavg, TRavg

Coefficients ^a								
		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
Model		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	,373	,190		1,962	,053		
	TRavg	,400	,059	,378	6,785	,000	,279	3,585
	SATavg	,532	,048	,618	11,091	,000	,279	3,585

a. Dependent Variable: RQavg

a. Dependent Variable: RQavg

Table 4: Regression analysis to test H7 and H8

Finally, the effect of relationship quality on customer loyalty was analyzed with relationship quality as the independent variable and loyalty as the dependent variable. The results indicate that relationship quality explains 88% of the variance in loyalty (p-value = 0,000, beta = 1,089). Therefore, the results support hypothesis H9.

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,938 ^a	,881	,879	,63793

a. Predictors: (Constant), RQavg

b. Dependent Variable: LOYavg

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	279,143	1	279,143	685,928	,000 ^b
	Residual	37,847	93	,407		
	Total	316,989	94			

a. Dependent Variable: LOYavg

b. Predictors: (Constant), RQavg

Coefficients ^a								
		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
Model		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	-,643	,243		-2,645	,010		
	RQavg	1,089	,042	,938	26,190	,000	1,000	1,000

a. Dependent Variable: LOYavg

Table 5: Regression analysis to test H9

To conclude this section, the following table shows the proposed hypotheses and whether the results supported them or not.

Hypothesis	Result	Sig.
H1. Relational selling behavior has a positive effect on trust.	Not supported	,144
H2. Relational selling behavior has a positive effect on satisfaction.	Supported	,006
H3. Service quality has a positive effect on trust.	Supported	,000
H4. Service quality has a positive effect on satisfaction.	Supported	,000
H5. Salesperson expertise has a positive effect on trust.	Supported	,029
H6. Salesperson expertise has a positive effect on satisfaction.	Not supported	,844
H7. Trust has a positive effect on relationship quality.	Supported	,000
H8. Satisfaction has a positive effect on relationship quality.	Supported	,000
H9. Relationship quality has a positive effect on customer loyalty.	Supported	,000

Table 6: Summary of hypotheses testing

5. DISCUSSION AND ANALYSIS

This section will first analyze relationship quality in the context of real estate based on the findings obtained through the survey. Then it will discuss managerial implications derived from the results.

5.1. Relationship Quality in Real Estate

Most of the proposed hypotheses about relationship quality in the context of real estate, that were developed based on previous literature, were supported by the results. This section will further discuss these results. In this section, this study will also refer to an interview conducted with Pertti Orava, the CEO of Kiinteistömaailma Mikkeli, as a triangulation method. The interview was conducted before comprising the survey instrument to discuss the literature review as well as the proposed framework.

5.1.1. The Antecedents of Trust

The antecedents that were tested to have a significant effect on trust were service quality and salesperson expertise. It seems logical that if the customer perceives the quality of service as high, he or she also sees the agent as trustworthy. Also previous literature has agreed that both service quality (e.g. Liu et al., 2011) as well as salesperson expertise (e.g. Bejou et al., 1996) have a positive effect on trust. Orava argued in the interview that “when property sellers become convinced of the level of expertise of the agency and the real estate agent, their trust in the agent increases, including trust in how the agent prices his or her services, and they thus become less price sensitive”.

Relational selling behavior did not have a significant effect on trust, but only satisfaction. In previous literature, Bejou et al. (1996) argued that relational selling behavior influences satisfaction, while Sharma & Patterson (1999) argued it will positively influence trust. Relational selling behavior was tested as comprising of three different dimensions: mutual disclosure, contact intensity, and cooperative intentions. It was interesting that this type of behavior does not increase the perceived trustworthiness of the agent, only customer satisfaction. On the other hand, it seems logical that the agent cannot increase customer trust through his or her behavior, but only through more concrete things, such as service quality and his or her expertise.

5.1.2. The Antecedents of Satisfaction

The antecedents that were tested as having a significant effect on satisfaction were service quality and relational selling behavior. If the customer perceives service quality as high, naturally he or she is also satisfied with it. This also goes along with previous research (e.g. Hu et al., 2009; Liu et al., 2011). Relational selling behavior was argued by Bejou et al. (1996) to have a positive influence on satisfaction, and it also received a lot of attention in the interview with Pertti Orava. He said that “the three dimensions of relational selling behavior, cooperative intentions, contact intensity and mutual disclosure, are the type of behavior that we as a company encourage”. Per him, “to create customer satisfaction, the agent must keep in contact with the client regularly (contact intensity) as well as make the client feel that the agent aims for mutual satisfaction (cooperative intentions)”. Kiinteistömaailma’s real estate agents also often try to develop a personal relationship with a client through mutual disclosure: discussing things such as life situation in addition to the property in question, so considering both the “soft and the hard side, personal life and business”.

Salesperson expertise was tested as insignificant, which was an interesting observation. However, it did have a significant effect on trust. It seems logical that expertise does not create satisfaction with the agent, but does increase how

trustworthy the customer perceives the agent as. This might be because expertise on its own does not necessarily mean the customer will be pleased with the agent's behavior, or the way in which the agent uses his or her expertise. In cases when the customer is dissatisfied, naturally the customer might still perceive the agent as experienced.

5.1.3. The Dimensions of Relationship Quality

The two proposed antecedents of relationship quality, trust and satisfaction, were both proven to have a significant effect on it. These two dimensions have received the most attention also in previous literature, and have been widely accepted as dimensions of relationship quality (e.g. Crosby et al., 1990; Parsons, 2002). Orava confirmed these results in the interview by firstly stating that “satisfaction is naturally very important and a prerequisite for a quality agent-client relationship”. However, trust was the dimension that was brought up the most during the interview. Per him, “especially in a business such as real estate, the customer's trust in the agent is very important considering the substantial amount financial and emotional investment involved”.

5.1.4. Loyalty as the Outcome of Relationship Quality

The results confirm the hypothesized outcome of relationship quality, customer loyalty. This goes along with previous research: loyalty has been widely established as the main outcome of relationship quality (e.g. Athanasapoulou, 2009; Liu et al., 2011; Segoro, 2013). Thus, researching and managing relationship quality is important for increasing loyalty. Orava confirmed this in the interview, arguing that “good customer relationships and the loyalty that stems from them are Kiinteistömaailma's key competitive advantages”.

5.2. Managerial Implications

In the interview, Pertti Orava said that “often when customers looking to sell their property enter the real estate agency’s office for the first time, the first thing they ask is what will they benefit from using their services, and how much will it cost them. However, after a good relationship between the real estate agent and the property seller has been established, the sellers price-sensitivity as well as loyalty increases”. This proves the importance of this research, as it has analyzed how the customers of Kiinteistömaailma Mikkeli perceive their relationship with their agent and provides ways on how the company can manage it. This study has proven that relationship quality increases customer loyalty, so by concentrating on the antecedents of relationship quality Kiinteistömaailma can increase its customer loyalty.

To increase relationship quality between real estate agents and property sellers, the company must seek to increase both customer trust as well as customer satisfaction. Starting with trust, to increase how trustworthy the client sees the agent as, there should be a focus on both perceived service quality as well as perceived agent expertise. Trust can be created through focusing on offering smooth, quality service, and making the customer feel the quality of service is consistent with both the customer in question as well as among all other customers. Hearing positive word-of-mouth will create trust, which will then in turn create more positive word-of-mouth through relationship quality. Also, increasing and effectively communicating the level of expertise of the salesperson increases customer trust. Naturally, to achieve this result it is not enough for the agent to just have a high level of expertise, but the expertise must be communicated to the customer. The three different areas of expertise that were tested were knowledge about pricing, the region, and the laws and regulations concerning real estate. Therefore, the customer must feel that the agent has a sufficient amount of knowledge about each of these areas.

Service quality does not only increase trust, but also satisfaction. Another thing that has a positive effect on satisfaction is relational selling behavior, which is comprised of mutual disclosure, contact intensity, and cooperative intentions. Therefore, the

company should seek to encourage relational selling behavior among its agents. This means that a real estate agent should actively keep in contact with the client, explain different concepts and all his/her recommendations in a meaningful way, as well as show his/her willingness to share as much information with the customer as the customer wants. The company already encourages its agents to try to get to know the client on a personal level. However, the agent should also share with the customer the same amount of personal information about him/herself for mutual disclosure. Finally, it is important that the customer feels the agent is working not only to benefit him/herself, but to satisfy the needs of both parties. Helping the customer in every possible way in all situations even when the agent will not directly benefit from it, as well as expressing a desire to develop a long-term relationship are important ways of creating customer satisfaction.

6. CONCLUSIONS

This section will first summarize the main findings of this study. Then it will discuss its implications on international business, after which it will provide suggestions for future research.

6.1. Main Findings

This study researches the relationship quality construct in the context of real estate, examining the relationship between real estate agents and property sellers. Quantitative research was conducted in the form of a survey sent to customers of Kiinteistömaailma Mikkeli who have used their services to sell property. The results indicate that the outcome of relationship quality is customer loyalty, while trust and satisfaction are dimensions of relationship quality. Salesperson expertise and service quality had a positive influence on trust. Service quality had a positive influence on also satisfaction, along with relational selling behavior. Therefore, in order to manage relationship quality and create customer loyalty, real estate agencies should seek to increase customer trust and satisfaction through especially service quality in addition to salesperson expertise and relational selling behavior.

Most of the proposed hypotheses were supported by the results. Figure 8 presents a relationship quality model that was proven to be applicable in the context of real estate agents and property sellers.

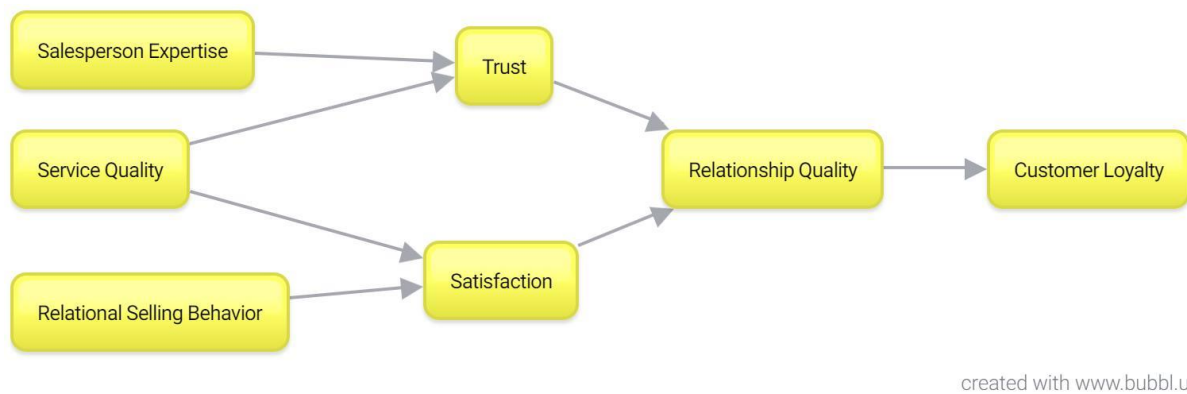


Figure 8: Revised relationship quality model in real estate

6.2. Implications for International Business

This study has researched relationship quality in the Finnish real estate sector and the results provide information to real estate managers on how to manage their customer relationships. The research is limited only to the Finnish market, but as the results are to a great extent coherent with previous studies in the field of relationship quality research, it may indicate that they are relatively generalizable also across countries.

Selling property with the help of a real estate agent is presumably to at least some extent a similar process globally. Since purchases related to property always require substantial financial and emotional investment, the relationship between the agent and the client is presumed to be very important. Thus, the results can be utilized in the real estate business globally by promoting customer trust and satisfaction, the dimensions of relationship quality, as well as service quality, relational selling behavior and salesperson expertise, the antecedents of trust and satisfaction. This can be done through focusing on offering smooth, quality service, and making the customer feel the quality of service is consistent with both the customer in question as well as among all other customers. The agent's expertise should also be effectively communicated to the customer. He/she should actively keep in contact with the client, explain different concepts and all his/her recommendations in a meaningful way, as well as show his/her

willingness to share as much information with the customer as the customer wants. The agent should aim to develop a personal relationship with the customer, as well as express a desire for developing a long-term relationship. Finally, it is important that the customer feels the agent is working not only to benefit him/herself, but to satisfy the needs of both parties.

However, cultural differences across countries might affect the results. Therefore, this study can be used as a basis for future research on relationship quality in the real estate market in different environments.

6.3. Suggestions for Further Research

This study has researched relationship quality in the context of real estate agents and property sellers. However, the research was limited to the Finnish real estate market and the customers of one agency in Mikkeli, Finland, so further research is needed to study the generalizability of the results in different environments to see if for example cultural differences affect the results.

Comparing the results with a similar study that focuses solely on commercial real estate could provide interesting new insight. Also, research on relationship quality between estate agents and property buyers and how it compares to this research that focused only on property buyers would be interesting. There could also exist additional dimensions and outcomes of relationship quality that were not tested in this study. Therefore, this study provides a fertile ground for further research.

APPENDICES

Appendix 1, summary of measures

<u>Construct</u>	<u>Item</u>
Service Quality (Liu et al., 2011)	I would say the quality of my interaction with my agent is high.
	I always have an excellent experience when I interact with my agent.
	I feel good about what my agent provides to his/her customers.
Relational Selling Behavior	
Contact Intensity (Sharma & Patterson, 1999)	My agent keeps me very well informed about what is going on.
	My agent explains concepts and recommendations in a meaningful way.
	My agent never hesitates to give me as much information as I'd like to have.
	My agent does not hesitate to explain me the pros and cons of his/her recommendations.
Mutual Disclosure (Crosby et al., 1990)	My agent has confided in me a lot of information about his/her background, personal life, and family situation.
	My agent has told me a lot about his/her job (e.g., responsibilities, failures and accomplishments, likes and dislikes for occupation).
	My agent has confided in me a lot of information about his/her values, religious beliefs, and political beliefs.
	I have confided in the agent a lot of information about my background, personal life, and family situation.
	I have told my agent a lot about my job (e.g., responsibilities, failures and accomplishments, likes and dislikes for occupation).
	I have confided in the agent a lot of information about my values, religious beliefs, and political beliefs.
Cooperative Intentions (Crosby et al., 1990)	My agent has expressed a willingness to help me even if there was nothing in it for him/her.

	My agent treats me the same no matter how financially significant the contract is.
	My agent has expressed a desire to develop a long-term relationship.
Service Quality (Liu et al., 2011)	I would say the quality of my interaction with my agent is high.
	I always have an excellent experience when I interact with my agent.
	I feel good about what my agent provides to his/her customers.
Salesperson Expertise (Crosby et al., 1990)	My agent has above average training/knowledge/experience in pricing
	My agent has above average knowledge about the region
	My agent has above average training/knowledge/experience in the laws and regulations concerning the field
Trust (Liu et al., 2011)	My agent can be relied upon to keep promises.
	My agent is trustworthy.
	I have full confidence in my agent.
Satisfaction (Hennig-Thurau et al., 2002)	My choice to use this company was a wise one.
	I am always delighted with the service.
	Overall, I am satisfied with this organization.
Relationship Quality (Ndubisi, 2007)	My relationship with my agent is desirable.
	My relationship with my agent meets my goals.
	My relationship with my agent fulfils my expectations.
	My agent shows high levels of professionalism.
	Overall, I have a good relationship with my agent.
Loyalty (Liu et al., 2011)	I intend to stay with the agent.
	I intend to recommend this agent to others.

REFERENCES

Bejou, D., Wray, B. & Ingram, T. (1996) 'Determinants of Relationship Quality: An Artificial Neural Network Analysis.' *Journal of Business Research*; 36: 137-143. Retrieved from Science Direct [Accessed 19 December 2016].

Boles, J., Johnson, J. & Barksdale, H. (2000) 'How Salespeople Build Quality Relationships: A Replication and Extension.' *Journal of Business Research*; 48: 75-18. Retrieved from Science Direct [Accessed 2 February 2017].

Buttle, F. (2009) *Customer Relationship Management: Concepts and Technologies* (2nd edition). Available from https://books.google.fi/books?hl=fi&lr=&id=KZUttVVyEjwC&oi=fnd&pg=PP2&dq=customer+relationship+quality&ots=byXQkosk5T&sig=3V0eMKTTE5XNE_o9Wb9Wia1u1lg&redir_esc=y#v=onepage&q=customer%20relationship%20quality&f=false [Accessed 13 March 2017].

Crosby, L., Evans, K., & Cowles, D. (1990) 'Relationship Quality in Services Selling: An Interpersonal Influence Perspective.' *Journal of Marketing*; 54: 68-81. Retrieved from EBSCOhost [Accessed 19 December 2016].

Davis-Sramek, B., Droge, C., Mentzer, J. & Myers, M. (2009) 'Creating Commitment and Loyalty Behavior Among Retailers: What Are the Roles of Service Quality and Satisfaction?' *Journal of the Academy of Marketing Science*; 37: 440. Retrieved from Springer Link database [Accessed 2. February 2017].

Dwyer, F., Schurr, P. & Oh, S. (1987) 'Developing Buyer-Seller Relationships.' *Journal of Marketing*; 51: 11-27. Retrieved from ProQuest [Accessed 19 December 2016].

George, D., & Mallery, P. (2003) *SPSS for Windows step by step: A simple guide and reference. 11.0 update* (4th edition). Available from <http://wps.ablongman.com/wps/media/objects/385/394732/george4answers.pdf> [Accessed 6 April 2017].

Hennig-Thurau, T. (2000) 'Relationship Quality and Customer Retention through Strategic Communication of Customer Skills'. *Journal of Marketing Management*; 16: 55-79. Retrieved from Taylor & Francis [Accessed 13 March 2017].

Hennig-Thurau, T., Gwinner, K. & Gremler, D. (2002) 'Understanding Relationship Marketing Outcomes: An Integrations of Relational Benefits and Relationship Quality'. *Journal of Service Research*; 4 (3): 230-247. Retrieved from ProQuest [Accessed 2 February 2017].

Hennig-Thurau, T. & Klee, A. (1997) 'The Impact of Customer Satisfaction and Relationship Quality on Customer Retention: A Critical Reassessment and Model Development.' *Psychology & Marketing*; 14 (8): 737-764. Retrieved from Wiley Online Library [Accessed 2 February 2017].

Hu, H., Kandampully, J. & Juwaheer, T. (2009) 'Relationships and Impacts of Service Quality, Perceived Value, Customer Satisfaction, and Image: An Empirical Study.' *The Service Industries Journal*; 29 (2): 111-125. Retrieved from Taylor & Francis [Accessed 16 February 2017].

Huntley, J. (2005) 'Conceptualization and Measurement of Relationship Quality: Linking Relationship Quality to Actual Sales and Recommendation Intention.' *Industrial Marketing Management*; 35: 703-714. Retrieved from Science Direct [Accessed 29 January 2017].

Hsieh, T., Hsieh, C. & Chu, N. (2014) 'A Study on Identity and Trust Management of Real Estate Agent'. Retrieved from IEEE Xplore [Accessed 2 February 2017].

Johnson, L., Dotson, M. & Dunlap, B. (1988) 'Service Quality Determinants and Effectiveness in the Real Estate Brokerage Industry'. *The Journal of Real Estate Research*; 3 (2): 21-36. Available from <https://ideas.repec.org/a/jre/issued/v3n21988p21-36.html> [Accessed 19 December 2016].

Leonidou, C., Leunidou, L., Coudounaris, D. & Hultman, M. (2013) 'Value Differences as Determinants of Importers' Perceptions of Exporters' Unethical Behavior: The Impact on Relationship Quality and Performance.' *International Business Review*; 22: 156-173. Retrieved from Science Direct [Accessed 25 February 2017].

Liu, C., Guo, Y. & Lee, C. (2011) 'The Effects of Relationship Quality and Switching Barriers on Customer Loyalty'. *International Journal of Information Management*; 31: 71-79. Retrieved from Science Direct [Accessed 12 February 2017].

Luca, F. & Ciobanu, C. (2016) 'Relationship Quality in Real Estate Companies | Literature Review.' *SEA – Practical Application of Science*; 4 (1): 91-98. Available from http://seaopenresearch.eu/Journals/articles/SEA_10_12.pdf [Accessed 19 December 2016].

Macintosh, G. (2007) 'Customer Orientation, Relationship Quality, and Relational Benefits to the Firm.' *Journal of Services Marketing*; 21 (3): 150-150. Retrieved from Emerald Insight [Accessed 12 February 2017].

Ndubisi, N. (2007) 'Relationship Marketing and Customer Loyalty.' *Marketing Intelligence & Planning*; 25 (1): 98-106. Retrieved from Emerald Insight [Accessed 12 February 2017].

Ndubisi, N. (2007) 'Relationship Quality Antecedents: The Malaysian Retail Banking Perspective'. *International Journal of Quality & Reliability Management*; 24 (8): 829-845. Retrieved from Emerald Insight [Accessed 13 March 2017].

Orava, P. (2017) *Personal Interview* (Overview of the Real Estate Market and the Role of a Real Estate Agent). Interviewer: Vivika Viikari, 9 February.

Osarenkhoe, A. & Bennani, A. (2007) 'An Exploratory Study of Implementation of Customer Relationship Management Strategy.' *Business Process Management Journal*; 13 (1): 139-164. Retrieved from Emerald Insight [Accessed 12 February 2017].

Palm, P. (2016) 'Measuring Customer Satisfaction: A Study of the Swedish Commercial Real Estate Industry'. *Property Management*; 34 (4): 316-331. Retrieved from Emerald Insight [Accessed 29 January 2017].

Parsons, A. (2002) 'What Determines Buyer-Seller Relationship Quality? An Investigation from the Buyer's Perspective'. *The Journal of Supply Chain Management*; 38 (1): 4-12. Retrieved from Wiley Online Library [Accessed 13 March 2017].

Sharma, N. & Patterson, P. (1999) 'The Impact of Communication Effectiveness and Service Quality on Relationship Commitment in Consumer, Professional Services'. *The Journal of Services Marketing*; 13 (2): 151-170. Retrieved from ResearchGate [Accessed 13 March 2017].

Retap, T., Adbullah, F. & Hamali, J. (2016) 'Banks' Lending Relationship Quality (LRGI) for the Small and Medium-sized Enterprises: A Review.' *Procedia – Social and Behavioral Sciences*; 224: 408-415. Retrieved from Science Direct [Accessed 26 February 2017].

Roberts, K., Varki, S. & Brodie, R. (2003) 'Measuring the Quality of Relationships in Consumer Services: An Empirical Study.' *European Journal of Marketing*; 37 (1): 169-196. Retrieved from Emerald Insight [Accessed 29 January 2017].

Segoro, W. (2013) 'The Influence of Perceived Service Quality, Mooring Factor, and Relationship Quality on Customer Satisfaction and Loyalty'. *Procedia – Social and Behavioral Sciences*; 81: 306-310. Retrieved from Science Direct [Accessed 12 February 2017].

Shamdasani, P. & Balakrishnan, A. (2000) 'Determinants of Relationship Quality and Loyalty in Personalized Services'. *Asia Pacific Journal of Management*; 17: 399-422. Retrieved from Springer Link [Accessed 29 January 2017].

Sharma, N. & Patterson, P. (1999) 'The Impact of Communication Effectiveness and Service Quality on Relationship Commitment in Consumer, Professional Services'. *The Journal of Services Marketing*; 13 (2): 151-170. Retrieved from Research Gate [Accessed 13 March 2017].

Smith, J. (1998) 'Buyer-Seller Relationships: Similarity, Relationship Management, and Quality.' *Psychology & Marketing*; 15 (1): 3-21. Retrieved from Wiley Online Library [Accessed 29 January 2017].

Storbacka, K., Strandvik, T. & Grönroos, C. (1994) 'Managing Customer Relationships for Profit: The Dynamics of Relationship Quality.' *International Journal of Service Industry Management*; 5 (5): 21-38. Retrieved from Emerald Insight [Accessed on 29 January 2017].

Su, L., Swanson, S. & Chen, X. (2016) 'The Effects of Perceived Service Quality on Repurchase Intentions and Subjective Well-Being of Chinese Tourists: The Mediating Role of Relationship Quality.' *Tourism Management*; 52: 82-95. Retrieved from Science Direct [Accessed 25 February 2017].

Tuzovic, S. (2008) 'Investigating the Concept of Potential Quality: An Exploratory Study in the Real Estate Industry.' *Managing Service Quality: An International Journal*; 18 (3): 255-271. Retrieved from Emerald Insight [Accessed on 4 February 2017].

Wang, S. & Davis, L. (2008) 'Stemming the Tide: Dealing with the Imbalance of Customer Relationship Quality with the Key Contract Employee Versus with the Firm.' *Journal of Services Marketing*; 22 (7): 533-549. Retrieved from Emerald Insight [Accessed on 12 February 2017].

Wong, A. & Sohal, A. (2002) 'An Examination of the Relationship Between Trust, Commitment and Relationship Quality'. *International Journal of Retail & Distribution Management*; 30 (1): 34-50. Retrieved from Emerald Insight [Accessed 13 March 2017].

Wong, Y., Hung, H. & Chow, W. (2007) 'Mediating Effects of Relationship Quality on Customer Relationships: An Empirical Study in Hong Kong.' *Marketing Intelligence & Planning*; 25 (6): 581-596. Retrieved from Emerald Insight [Accessed 12 February 2017].

Wilson, D. (1995) 'An Integrated Model of Buyer-Seller Relationships'. *Journal of the Academy of Marketing Science*; 23: 335. Retrieved from Springer Link [Accessed on 19 December 2016].